

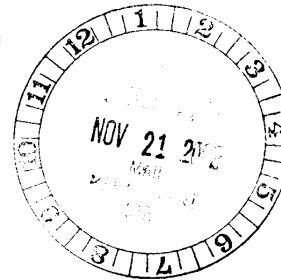


First Union Rail Corporation  
One O'Hare Center  
6250 River Road, Suite 5000  
Rosemont, IL 60018-4214  
Tel 847 318-7575  
Fax 847 318-7588

VIA UPS 2<sup>nd</sup> DAY AIR

November 19, 2002

RECORDATION NO. 20818-B FILED  
NOV 22 '02 11-06AM  
SURFACE TRANSPORTATION BOARD



Mr. Vernon E. Williams  
Surface Transportation Board  
1925 K Street, N.W., Room 704  
Washington, DC 20423-0001  
Attn: Recordation of Railroad Equipment

**Re: Memorandum of Lease Agreement**

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) originals and two (2) copies of a Memorandum of Lease Agreement, dated October 23, 2002, a secondary document as defined in the Board's Rules for the Recordation of Documents. The enclosed document relates to the Lease Agreement which was duly filed with the Commission under Recordation Number 20818.

The names and addresses of the parties to the enclosed document are:

Lessor: First Union Rail Corporation  
One O'Hare Center  
6250 River Road, Suite 5000  
Rosemont, IL 60018

Lessee: Alaska Railroad Corporation  
327 W. Ship Creek Avenue/ 2<sup>nd</sup> Floor  
Anchorage, AK 99501

A description of the railroad equipment covered by the enclosed document is fifteen (15) 61' 1" inside length 100-ton bulkhead flatcars, with NOKL marks (See Exhibit A for numbers).

A short summary of the document to appear in the index follows: Memorandum of Lease

Also enclosed is a check in the amount of \$30.00 payable to the order of the Surface Transportation Board covering the required recordation fee. Kindly return one (1) stamped original of the enclosed document to the undersigned along with the additional copies.

If you have any questions or concerns regarding the above-referenced matter, please feel free to contact me at (847) 384-5342. Thank you for your cooperation in this matter.

Very truly yours,

Amy Carone  
Manager of Documentation

Enclosures

(ARR007)

ASSGN. NO. ARR007

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 23rd day of October, 2002, by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, and Alaska Railroad Corporation ("Lessee"), an Alaska corporation.

**WITNESSETH:**

The undersigned Lessor and Lessee have entered into that certain Lease Agreement (the "Lease"), dated as of May 14, 1997, whereby Lessor has agreed to lease to Lessee certain railcars pursuant to Rider No. 5 to the Lease (the "Rider"), as described in more particular on Exhibit A attached hereto, effective as of July 22, 2002 and subject to the terms, conditions and provisions of the above-mentioned Lease and Rider.

IN WITNESS WHEREOF, the parties hereto have each caused this Memorandum to be duly executed under seal by their respective officers duly authorized as of the date and year first above written.

**LESSOR:**

FIRST UNION RAIL CORPORATION

ATTEST:

By: [Signature]

Name: K.A. DOMBROWSKI

Title: DIRECTOR OF DOCUMENTATION

By: [Signature]  
Name: RICHARD F. SEYMOUR  
Title: Vice President Sales & Marketing

Executed on this 23rd day of Oct., 2002.

[CORPORATE SEAL]

STATE OF ILLINOIS  
COUNTY OF COOK

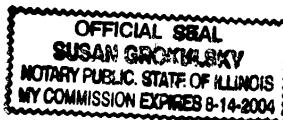
I, SUSAN GROKULSKY, a Notary Public of the County and State aforesaid, certify that RICHARD F. SEYMOUR personally appeared before me this day and acknowledged his due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 23rd day of October, 2002.

[Signature]  
Notary Public

My Commission Expires:

8-14-2004  
(Notary Public)



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11-06AM

SURFACE TRANSPORTATION BOARD

**LESSEE:**

ALASKA RAILROAD CORPORATION

By: [Signature]

Name: STEVE SILVERSTEIN

Title: V.P.

ATTEST:

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Executed on this 25 day of September, 2002.

[CORPORATE SEAL]

STATE OF Alaska

COUNTY OF Anchorage

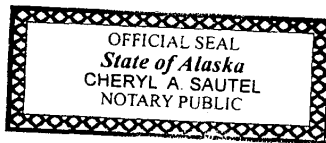
I, Cheryl A. Sautel, a Notary Public of the County and State aforesaid,  
certify that Steve Silverstein personally appeared before me this day and acknowledged his/her due  
execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 25 day of September, 2002.

Cheryl A. Sautel  
Notary Public

Commission Expires:

7-18-05  
(Notary Public)



**EXHIBIT A**  
**to**  
**MEMORANDUM OF LEASE**

NUMBER OF CARS:       Fifteen (15)

DESCRIPTION OF CARS:   61'1" inside length 100-ton bulkhead flatcars, 268,000 lb. loading capacity.

CAR NUMBERS:

NOKL 725000  
NOKL 725002  
NOKL 725005  
NOKL 725006  
NOKL 725009  
NOKL 725010  
NOKL 725014  
NOKL 725015  
NOKL 725016  
NOKL 725017  
NOKL 725024  
NOKL 725025  
NOKL 725027  
NOKL 725030  
NOKL 725033

Count: 15 cars